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State of Connection of Care Access Office of Health Care Access Letter of Intent/Waiver Form Form 2030

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Tolland Diagnostic Imaging Center, LLC	
Doing Business As	Tolland Diagnostic Imaging Center	
Name of Parent Corporation		
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	112 Mansfield Avenue Willimantic, CT 06226	
Applicant type (e.g., profit/non-profit)	Profit	
Contact persons, including title or position	Robert Peterson, Manager	Peter Kuzmickas, Manager
Contact person's street mailing address	112 Mansfield Avenue Willimantic, CT 06226	201 Chestnut Hill Road P.O. Box 860 Stafford Springs, CT 06076
Contact person's phone #, fax # and e-mail address	(860) 456-6731 (Phone) (860) 456-6838 (Fax) bpeterson@wcmh.org	(860) 684-8102 (Phone) (860) 684-8165 (Fax) Peter.Kuzmickas@jmhosp.or

SECTION II. GENERAL APPLICATION INFORMATION

a.	Proposal/Project Title: Formation of a diagnostic imaging center in Tolland					
b.	Type of Proposal, please check all that apply:					
X	Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:					
	F New (F, S, Fnc) ☐ Replacement ☐ Additional (F, S, Fnc)					
	☐ Expansion (F, S, Fnc) ☐ Relocation ☐ Service Termination					
	☐ Bed Addition` ☐ Bed Reduction ☐ Change in Ownership/Control					
X	Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:					
	X Project expenditure/cost cost greater than \$ 1,000,000					
	Equipment Acquisition greater than \$ 400,000					
	☐ New ☐ Replacement ☐ Major Medical					
	☐ Imaging ☐ Linear Accelerator					
	Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000					
C.	Location of proposal (Town including street address):					
	200 Merrow Road, Tolland, Connecticut					
d.	List all the municipalities this project is intended to serve:					
	Coventry, Ellington, Storrs, Mansfield, Tolland and Willington					
Δ	Estimated starting date for the project: October 1 2005					

f. Type of project: **19, 20, and 22**

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed		
1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -						

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure: \$1,259,291.00
- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$459,250.00
Medical Equipment (Purchase)	\$0.00
Imaging Equipment (Purchase)	\$0.00
Non-Medical Equipment (Purchase)	\$90,270.00
Sales Tax	\$5,867.00
Delivery & Installation	\$0.00
Total Capital Expenditure	\$555,387.00
Fair Market Value of Leased Equipment	\$703,904
Total Capital Cost	\$1,259,291.00

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
Ultrasound	GE	Logig	1	\$66,625.00
Mammography	GE	800T	1	\$50,778.00
Bone Densitometry	GE	DXA	1	\$65,000.00
MRI – used	GE	1.0T	1	\$349,000.00
CT - used	GE	HiSpeed	1	\$172,501

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment.

C.	Type of financing or funding source (more than one can be checked):				
	Applicant's Equity	<u>X</u>	Lease Financing		Conventional Loan
	Charitable Contributions		CHEFA Financing		Grant Funding
	Funded Depreciation		Other (specify):		

SECTION IV. PROJECT DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

- 1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
- 2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
- 3. Who is the current population served and who is the target population to be served?
- 4. Identify any unmet need and how this project will fulfill that need.
- 5. Are there any similar existing service providers in the proposed geographic area?
- 6. What is the effect of this project on the health care delivery system in the State of Connecticut?
- 7. Who will be responsible for providing the service?
- 8. Who are the payers of this service?

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^{*} In the bidding process, no contract yet.

If requesting a Waiver of a Certificate of Need, please complete Section V.

SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT

-	•	gible for a waiver from the Certificate of Need process because of the following: ck all that apply)		
	This request is for Replacement Equipment.			
		The original equipment was authorized by the Commission/OHCA in Docket Number:		
		The cost of the equipment is not to exceed \$2,000,000.		
		The cost of the replacement equipment does not exceed the original cost increased by 10% per year.		
Pleas	se com	plete the attached affidavit for Section V only		

Section IV. Project Description

The applicant, Tolland Diagnostic Imaging Center, LLC, is owned equally by Windham Community Memorial Hospital and Johnson Memorial Corporation, the parent company of Johnson Memorial Hospital. The applicant proposes to develop a new imaging center in the town of Tolland, Connecticut. The imaging center would be within the same medical office building as a number of practices whose members are either on the Johnson Memorial Hospital medical staff or the Windham Community Memorial medical staff. These physicians practice in the areas of primary care, pediatrics, orthopedics, podiatry and cardiology. In addition, Med East, a primary care practice with physician owners on the Windham Community Memorial Hospital medical staff, is currently located in the same medical office space as the new imaging center and will provide medical oversight for the new imaging center including the provision of injectables. Med East provides primary care, episodic care and occupational care services on a full-time basis at its Tolland location. These physician practices will provide the initial referral base, along with other members of the Johnson Memorial Hospital and Windham Community Memorial Hospital medical staff currently providing obstetrics and gynecology, orthopedics and primary care services in Tolland and other towns in the targeted service area. The imaging center will also seek referrals from physicians who practice in the targeted service area that are not on the medical staff of either Johnson Memorial Hospital or Windham Community Memorial Hospital.

Specific responses to the questions in Section IV are set forth below.

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by Petitioner.

The services being proposed are not currently available within the targeted area.

2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?

The project would establish an outpatient diagnostic imaging center. The imaging center would include such modalities as MRI, CT, mammography, ultrasound, and bone densitometry.

3. Who is the current population served and who is the target population to be served?

The current population does not have local access to the proposed imaging services specified in section II & III of this form. The target population to be served will consist of patients living and working in the towns identified in section II of this form.

4. Identify any unmet need and how this project will fulfill that need.

The patients living and working in the towns identified must travel outside their community to obtain services being proposed. The co-owners of Tolland Diagnostic Imaging Center, LLC, Johnson Memorial Corporation and Windham Community Memorial Hospital, both have members of their respective medical staffs practicing full-time in the target service area. Patients of these physicians must be sent outside the target service area for routine imaging services. The physicians have requested that such routine imaging services be provided for their patients in the target service area.

5. Are there any similar existing service providers in the proposed geographic area?

There are no outpatient diagnostic imaging centers within the specified target service area.

6. What is the effect of this project on the health care delivery system in the State of Connecticut?

The implementation of this project will improve service access for those individuals requiring diagnostic imaging services, living in Tolland and surrounding communities.

7. Who will be responsible for providing the service?

Under this proposal, Tolland Diagnostic Imaging Center, LLC will contract with a radiology group to provide all professional services and be solely responsible for patient care. Johnson Memorial Corporation and Windham Community Memorial Hospital will provide additional management services.

8. Who are the payers of this service?

The payers are Medicare, Medicaid, HMO/Managed Care, Commercial Insurance, Self-Pay, Worker's Comp, Champus and others.

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AFFIDAVIT

Note: Each Manager is submitting an affidavit; one from Mr. Lerz and one by Mr. Brvenik

Applicant:

Tolland Diagnostic Imaging Center, LLC

Project Title: Formation of a diagnostic imaging center in Tolland

My commission expires: 05/31/05

I, Alfred A. Lerz, Manager of the Tolland Diagnostic Imaging Center, being duly sworn, depose and state that the information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to the best of my knowledge, and that the Tolland Diagnostic Imaging Center complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Signature $\frac{4/25}{\text{Date}}$	/ <u>C</u>
Subscribed and sworn to before me on 4/25/05	
Notary Public/Commissioner of Superior Court	

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AFFIDAVIT

Note: Each Manager is submitting an affidavit; one from Mr. Lerz and one by

Mr. Brvenik

Applicant:

Tolland Diagnostic Imaging Center, LLC

Project Title: Formation of a diagnostic imaging center in Tolland

I, Richard Brvenik, Manager of the Tolland Diagnostic Imaging Center, being duly sworn, depose and state that the information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to the best of my knowledge, and that the Tolland Diagnostic Imaging Center complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Listed a Dwent	4/25/2005
Signature	Date

Subscribed and sworn to before me on April 25, 2005

Sharon K. Ree

Notary Public/Commissioner of Superior Court

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Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

- 1. Cardiac Services
- 2. Hospice
- 3. Maternity
- 4. Med/ Surg.
- 5. Pediatrics
- Rehabilitation Services
- 7. Transplantation Programs
- 8. Trauma Centers
- 9. Behavioral Health (Psychiatric and Substance Abuse Services)
- 10. Other Inpatient

Outpatient

- 11. Ambulatory Surgery Center
- 12. Birthing Centers
- 13. Oncology Services
- 14. Outpatient Rehabilitation Services
- 15. Paramedics Services
- 16. Primary Care Clinics
- 17. Urgent Care Units
- 18. Behavioral Health (Psychiatric and Substance Amuse Services)
- 19. MRI
- 20. CT Scanner
- 21. PET Scanner
- 22. Other Imaging Services
- 23. Lithotripsy
- 24. Mobile Services
- 25. Other Outpatient
- 26. Central Services Facility

Non-Clinical

- 27. Facility Development
- 28. Non-Medical Equipment
- 29. Land and Building Acquisitions
- 30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
- 31. Renovations
- 32. Other Non-Clinical